

MEMORANDUM

December 2, 2010

To: Reporters and Editors

From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)

Re: Baucus statement on the recommendations of the co-chairs of the Commission on Fiscal Responsibility and Reform

Senate Finance Committee Chairman Max Baucus (D-Mont.) released the following statement today regarding his vote on the recommendations released by the co-chairs of the Commission on Fiscal Responsibility and Reform. Baucus, who was appointed to serve as a congressional representative on the commission in February, called the reforms anti-rural and said he will oppose them when the Commission votes this Friday.

"I want to thank the commission co-chairs, Erskine Bowles and Alan Simpson for their service to our country. Reducing the debt is not an easy task, and I have the utmost respect and appreciation for the time, care and effort they have put into this task.

"Our mounting federal debt is a serious concern that we must address. I am committed to finding real solutions. That's why I have led the charge to end wasteful subsidies to insurance companies and crack down on loopholes in our tax code that allow big corporations to hide money offshore. And at the same time, I'm fighting to help small businesses with tax cuts to grow our economy and hire new workers. But the Deficit Commission recommendations paint a big red target on rural America, and I won't support anything that puts the debt burden on the backs of Montanans and other rural states, while others get a free pass.

"The Deficit Commission recommendations would cut pensions for military members, lower Social Security payments, raise the retirement age and limit Medicare benefits. Cuts like that hit rural America the hardest because we proudly have more veterans and seniors than most other states.

"The Deficit Commission recommendations would raise taxes on gas by 15 cents a gallon, which would hurt folks in rural states like Montana where we often have to travel long distances in the course of one day. The recommendations would cut \$10 billion from farm programs Montana depends on and raise electricity rates in rural areas. And they would redirect Montana coal tax dollars used for cleanup on abandoned mine land to states like Pennsylvania and West Virginia.

"At the same time, the Commission recommendations do not take any aggressive steps to crack down on corporations that hide their money overseas to avoid paying their taxes.

"I have studied the Deficit Commission recommendations at length – and I can tell you they are wrong for Montana and wrong for rural communities across the country. Reducing our federal deficit is imperative, but we cannot cut the deficit at the expense of veterans, seniors, ranchers, farmers and hard-working families. Instead, we need to look for common-sense ways to help businesses create jobs and grow our economy. These recommendations are wrong for our state, they are wrong for our country, and I simply can't support them," Baucus said.

Commission on Fiscal Responsibility and Reform co-chairs Erskine Bowles and Alan Simpson released initial recommendations November 10, 2010, and the final revised recommendations on December 1, 2010.

###